Local Support Contracting

Local Contracts (Carve Outs) beginning 1 Oct 04

- Appointing
- Resource Sharing
- Utilization Management
- HCIL
- HEAR
- Transcription

Funding Realities

- Appointing – 48 million dollars
- UM, HCIL, HEAR, Transcription – 30 million dollars
- Insufficient funding for all of UM
- None available for HCIL and HEAR
- Transcription is not currently funded by the MCSC for the AF

Points of Contact

Local Support Contracting (LSC)Service Transition Team POC – COL Chuck Wolack

LSC Service Transition POC for Appointing Maj Marissa Koch

New West Region Appointing POC- JoAnne Fletcher

Appointing

History/Overview

Preparing for the Future

National Contract: Pros/Cons

Other Contracts: Pros/Cons

MTF Requirements Following a Decision

Overview

- 14 AF MTFs do appointing under the current MCSC in some Level of Effort(LOE)
- The next generation of TRICARE contracts requires a separate appointing contract for potentially another vendor or to take back the activity using MTF personnel
- Appointing contracting options include tagging on to the National Contract or initiating your own contract
- Converting from a contracting activity to hiring GS employees requires that an A-76 study be conducted
- Army Medical Command's (MEDCOM) Health Care Activity Agency(HCAA) is the proponent for the National Request for Proposal (RFP) for the Appointing Statement of Work (SOW)

Preparing for the Future

- You don't need a Cadillac to start with…assess basic needs and plan from there
- Options: National Contract or developing your own contract
- Identify who will coordinate your contracting vehicle: Base, Air Force Medical Logistics Office(AFMLO), or MEDCOM HCAA
- Prepare procurable package/task orders that should include:
- MTF's Requirements Statement
- MTF Training Plan
  - Workload/MTF Cost Estimate (Internal govt use only)
- Site visit plan that includes POC name/contact info
- Coordinate package/task orders through both the Regional POC(JoAnne Fletcher) and Air Staff POC((Maj Koch)
- MAJCOMS: assist MTFs/Regional POCs

Preparing for the Future Recent Reports

Ad hoc data on MCSC Level of Effort(LOE)-purpose was to obtain a consistent, standardized data set on the LOE that was being conducted by the MTFs and MCSC

Local Support Appointing Reporting Tool – monthly report due to regional POC that gives status on decision making and preparation

Other Questions to Ask Yourselves

- Does your current system meet your needs?
- Do you want to change?
  - If yes, then your justification and Independent Government Contracted Estimate will be more challenging. And you'll need to validate, via your concept of operations(CONOPS) that you are using "best business practices"
- What do you want to change to?
  - Need to outline the financial, contractual and approval implications

What Are Your Options?

National Contract (developed by Army MEDCOM HCAA)…**_approved by all services_

Your Own Separate Contract

Convert contracted positions to Civilian GS (A-76 implications)

National Contract Pros

- All the groundwork is done by Army Medical Command's (MEDCOM) Heath Care Acquisition Activity(HCAA)
- They will contract with a pool of contractors
- Individual MTFs will only have to do a task order against the established contract
- Procurements will be established based on the MTF's task orders
- The selected contractor will work with each MTF individually in support of it's task order to set up the appointing services contract there.

National Contract Pros continued

- HCAA will have staff to execute the MTF's task order
- MTF only has to "modify" the Performance Work Statement(PWS) with MTF-specific requirements not covered in the national technical requirements document
- MTF controls the process and the outcome
- Easier than other options; potentially better outcomes;broad enough to accommodate a variety of needs

National Contract Cons

Hard to find any!

Your Own Contract Cons

- MTF has to write it's own PWS as well as MTF Technical requirements from scratch
- MTFs will have to initiate and monitor the entire contracting process and may not have credentialled and experienced contracting personnel
- More labor intensive and time consuming
- Not assured of positive outcomes

Telephony

- Telephony will not be included in the task orders
- Each AF facility must request it as a separate government purchase

Issues to Consider in the Decision Making Process

Telephony should be requested and hopefully furnished separately as Government Furnished Equipment (GFE)….(AF and Navy decision)

Space availability

Centralized Appointing

Decentralized Appointing

Hybrid of both

Centralized Appointing Issues to Consider

- Efficient, inexpensive, one-stop shopping for all appointments
- Staffed by Contractor or Civilian GS (A-76 implications if conversion)
- Space and/or infrastructure available?

Decentralized Appointing Issues to Consider

- Technology can compensate for inefficiencies, but it is more expensive
- Staffed by Contractor or Civilian GS?
- Space and/or infrastructure available?

Hybrid of Centralized and Decentralized Appointing

Allows for flexibility and MTF unique requirements

Once You've Decided

- Develop your Concept of Operations (CONOPS)
- Write a cover/endorsement letter signed by the MTF Commander
- Develop the IGCE based on your CONOPS
- Submit to your regional POC for Local Support Contracts – joanne.fletcher@nw.amedd.army.mil
- She forwards it to your service where it is approved/disapproved and funded

MTF Technical Requirements

- Develop your specific requirements as requested in the Performance Work Statement (PWS) as well as any requirements not covered by the PWS
- MTF must meet the Appointment Standards regardless of the appointing mechanism selected

Appointing Milestones

EVENT	Recommended Timeframes	Recommended Dates
1. MTF decision regarding National Contract or other contract		
2. MTF submits CONOPS/Cost Estimate to LSC rep		21-Nov-03
3. LSC rep submits CONOPS/Cost Estimate to Service Rep(s)	3 work days	26-Nov-03
4. Service(s) approval of MTF CONOPS/Cost Estimate	14 work days	17-Dec-03
5. MTF submits technical requirements to LSC rep. (includes a Training Plan and Historical Appointment transactions)	30 calendar days	16-Jan-04
6. Date LSC rep submits MTF technical requirements to Service rep(s)	3 work days	22-Jan-04
7. Service(s) approval of MTF technical requirements	7 work days	2-Feb-04
8. MTF submits technical requirements/IGCE/funding documents to contracting office	14 calendar days after Services approval	17-Feb-04
9. * Contracting office preparation/Issue Solicitation	30 calendar days	19-Mar-04
10. Preposal Conference	10 calendar days after issuance	30-Mar-04
11. Site Visit(s)	15 calendar days after issuance	5-Apr-04
12. Proposals Due	45 calendar days after issuance	4-May-04
13. ** Award of Contract	30 calendar days after receipt of proposals	4-Jun-04
14. Transition Start Date	90 - 120 calendar days	Jun - Sep 04
15. Appointing Services Start Date	1-Oct-04	1-Oct-04

NOTES:

1. Milestones apply to National Contract or other contract. Use of the National Contract will reduce timeframes required. If hiring GS, MTFs should follow applicable Service guidelines.
2. Milestones do not include unanticipated delays or protests.
3. * Solicitation preparation and issuance may vary from Contracting Office to Contracting Office.
4. ** Award of contract may vary dependent on number of offers received.

Contracting Toolkit

- Air Force Medical Logistics Office (AFMLO)
  - Developed Tri-Service Contracting Toolkit for MTFs
  - Can Be Used for Both Personal Services and Non-Personal Services Contracts
  - Provides Step by Step Process: From Requirement to Procurement
  - Lists Available Vehicles within MHS
  - Reduces Contracting Burden for MTFs
  - Allows MTFs to Take Advantage of Existing Contracts for Efficiency

Contracting Toolkit Continued

Web based toolkit url:

https://afml.ft-detrick.af.mil/AFMLO/FOM-P/T-Nex.ppt

HCIL and HEAR

- Assessment of health status of individuals, sharing health care information and triage of patients to appropriate level of care are critical components of health care delivery
  - Current programs are not meeting those needs in the majority of health service markets
- Services will search for new solutions to meet the functional requirements outlined above
- Service representatives developing plans to use available funds to improve demand management in context of individual Market Business Plans
- No funding set aside for these programs at this point

HEAR

- HEAR CD currently licensed and available through PKC Corporation
- Identified need to alpha test the HEAR
- Access it at http://method.pkc.com (no”www”) User ID + DoD and Password = 0201
- COL Kenneth Hoffman has copy of last implementation plan and CONOPS kenneth.hoffman@tma.osd.mil

Resource Sharing Termination and Conversion

- All existing resource sharing and resource support agreements terminate
- MTFs to convert agreements into direct contracts or utilize GS if positions available (otherwise A-76)
- Extensive contracting support available from AFMLO
- Funds for Approved RSAs will not be provided in advance….new contract coincides with start of new FY
- GOAL – ensure continuity of care and customer/provider satisfaction

Things To Think About

- Services have taken the lead in assessing which contracts you want to keep
- Put requests in early for new contracts (SAF-subject to availability of funds)
- With the potential for a Continuing Resolution Authority…which new contracts will be just a continuation of current service vs. a new start?

Which RSAs Should be Converted

MTFs in conjunction with the Services should evaluate their current agreements based on:

- Supports the strategic plan
- Most cost effective
- Required for readiness or GME
- Geographic Location

MTFs are expected to maintain the same level of effort

- Doesn't necessarily mean buy all of the same agreements

Initial Allocation

- Allocation Based on Cat 8 Costs of Approved RSAs as of May 02 ..will most likely be underfunded
  - Due to growth since 02
  - Admin costs which were included in current contract were not included
- FY04 Funding Decisions Released Dec 2003
- Options for Disapproved RSAs
  - Fund Internally with Rev Financing Funds..keeping in mind that they have to be earned first
  - Seek new RSA with new contractor
  - Refer care to Network..keeping in mind that increased workload will increase the bill to the MTF

Contracting Vehicles

- IMAP
- Existing IDIQ Contracts
- GSA/VA
- 8(a)-Small Disadvantaged Companies (competition not required under $3M)
- Individual Providers
- BPAs (short term providers)
- VA-FSS(Federal Supply Schedule)

Benefits of the VA-FSS

- Competitive Pricing
- Ease of Ordering
- Contracting Periods Exceeding 5 years
- Shorter Leadtimes
- Direct Relationship between Contractor and Ordering Entity
- Boiler Plates for Specific Requirements

Questions?

Utilization and Referral Management

Utilization and Referral Management

- Increased MTF workload for UM, UR, referral management, and case management due to certain functions no longer performed by the contractor, and the impact of revised financing
- Contractor must operate a contemporary medical management (MM) program that achieves the objectives of the contract

Utilization Management – Key Issues

- Contractor provides MM program for all MHS beneficiaries receiving care in the civilian sector
  - Program must fully support services available in MTF
  - High cost condition management includes all beneficiaries (including AD) authorized to receive civilian health care
    - Must coordinate care with MTF
    - Must support services provided in the MTF

UM Data Call

- Services completed UM data call March 03
- Total FTEs > 700 (includes MCSC, GS, and military support)
- Insufficient funding to replace all MCSC personnel
- Services will phase in funding for UM staff
  - Phase 1 – Large MTFs, bedded facilities, enrollment > 10,000 (approximately 50% funding)
  - Phase II – Pursue FTE/dollar shortfall over FY 04-FY 05

UM Priorities

- JCAHO accreditation
  - Must do discharge planning
- DoD Guidance
  - Calls for UM plan
- Appeals process for denials
- Optimize Third Party Collections/Prime recapture
- UM training sessions sponsored by TMA

Utilization Management – MTF Issues

- Control leakage of purchased care claims for MTF enrollees to civilian providers
- Must meet access standards and maintain high quality of care
- Understanding data so MTFs can make informed, efficient business decisions
- Medical necessity determinations must occur at MTF (HCSS will provide benefit review only)

Utilization Management

- Use existing personnel or develop new positions?
- Active duty vs. GS vs. contracted personnel
- Contracting alternatives
  - GSA Federal Supply Schedule
  - Air Force – personal/non-personal service contracts
- Space issues/equipment/training/data mining & analysis

Referral Management – Key Issues

- Contractor requirements
  - 98% of consults returned within 10 working days of the encounter; 100% within 30 days
  - Urgent/emergent referrals require initial contact within 24 hours or less
  - Monthly audit of referrals (2% or 10, whichever is greater)
  - Benefit review **ONLY**; beneficiary must be informed prior to visit if requested service is not a covered TRICARE benefit

Referral Management – Key Issues

- Contractor requirements
  - Must offer first right of refusal to MTF
  - Electronic referrals to MTF must be HIPAA-compliant
  - 96% of referrals in Prime service areas shall be referred to the MTF or a civilian network provider (performance guarantee)
  - Must issue authorization on at least 85% of all referrals within one workday (100% within three workdays)

Referral Management – Data Call

- Air Force data call
  - Average 1800-2000 referrals per MTF per month
  - 90% - routine, 6% - 72 hour, 4% - emergency
  - 47% go to network; 53% to direct care system
  - Wide variance in tracking systems (CHCS vs. “home grown” systems; centralized vs. decentralized referral management system)
  - 20% of PCM’s time spent tracking referrals
- Final analysis: Highly variable business processes in MTFs; limited awareness of network specialty care outcomes and costs

Referral Management Priorities

- Full utilization of available appointments
- Management of EWRAS rules/referral processes
- Analyze referrals (type/frequency/cost) to assist MTF commanders with “make vs. buy” decisions
- Consider defragmentation of the referral process by establishing accountability at a single location

Referral Management Priorities

- Referral center can help validate invoices and document contractor performance
- Management of incoming “first right of refusal” consult requests from contractor
- Management of outgoing consults from MTF to civilian providers
- Consult results/discharge summaries returned to initiating provider in a timely manner

Questions?